

Copy of E-mail from Molly Archer to Cindy Engstrom

Holden Village Business Office <business@holdenvillage.org>

04/20/2006 01:23 PM

Dear Cindy,

I have reviewed your letter with our directors and we agree that we will support the proposal you are making.

We are still convinced that a more proportional increase is appropriate for future rate changes, but we are willing to have further discussion about that the next time around. Specifically, your information about the number of gallons of gas used by each boat seems to ignore the passenger capacity and the gallons used per passenger, which we think might show that fuel cost increases are more proportional on a per passenger basis. Also, you express concern that increasing prices on the more expensive boats will cause extreme revenue loss. This seems inconsistent with the likelihood that those passengers have greater disposable income than the passengers already choosing the lowest fare tickets, who are currently seeing the highest percentage increases. We will continue to review future rate proposals from these perspectives and hope to be able to work with you more closely in their development.

We do very much appreciate the reduction in the Lucerne-Stehekin ticket, which will be beneficial for everyone - including the businesses in Stehekin, and the reduced increase for the Chelan or FP to Lucerne tickets. We hope that this revised proposal will receive WUTC approval next week. Please let us know if there is anything we should do to affirm that support before next week's meeting. (I am copying this email to Nicki (?) Johnson so that she also can let us know if there is anything further we should do.)

Thank you for your consideration of our concerns.

Sincerely,

Molly Archer